

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re SITO Mobile Ltd, Solutions, R&D IP
 Debtor

Case No(s). 20-21435, 20-21436, 20-21437
 Reporting Period: 05/01/2021 - 05/31/2021

INITIAL MONTHLY OPERATING REPORT

File report and attachments with Court and submit copy to United States Trustee within 15 days after order for relief.

Certificates of insurance must name United States Trustee as a party to be notified in the event of policy cancellation. Bank accounts and checks must bear the name of the debtor, the case number, and the designation "Debtor in Possession." Examples of acceptable evidence of Debtor in Possession Bank accounts include voided checks, copy of bank deposit agreement/certificate of authority, signature card, and/or corporate checking resolution.

REQUIRED DOCUMENTS	Document Attached	Explanation Attached
12-Month Cash Flow Projection (Form IR-1)		
Certificates of Insurance:		
Workers Compensation		
Property		
General Liability		
Vehicle		
Other: Umbrella		
Identify areas of self-insurance w/liability caps		
Evidence of Debtor in Possession Bank Accounts		
Tax Escrow Account		
General Operating Account	x	May bank statements
Money Market Account pursuant to Local Rule 4001-3 for the District of Delaware only. Refer to:		
http://www.deb.uscourts.gov/		
Other:		
Retainers Paid (Form IR-2)		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Thomas Candelaria

6/24/2021

Signature of Debtor

Date

Signature of Joint Debtor

Date

Thomas Candelaria

6/24/2021

Signature of Authorized Individual*

Date

Thomas Candelaria

CEO

Printed Name of Authorized Individual

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

SCHEDULE OF RETAINERS PAID TO PROFESSIONALS

(This schedule is to include each Professional paid a retainer 1)

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEW JERSEY

In re SITO Mobile Ltd, Solutions, R&D IP
DebtorCase No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 05/01/2021 - 05/31/2021

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	Yes	Yes	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	Balance Sheet + P&L		
Schedule of Professional Fees Paid	MOR-1b	n/a		
Copies of bank statements		May Bank Statements		
Cash disbursements journals				
Statement of Operations	MOR-2	P&L		
Balance Sheet	MOR-3	Balance Sheet		
Status of Postpetition Taxes	MOR-4			
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4	Yes		
Listing of aged accounts payable	MOR-4	Yes		
Accounts Receivable Reconciliation and Aging	MOR-5	Yes		
Debtor Questionnaire	MOR-5	Yes		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Thomas Candelaria

6/24/2021

Signature of Debtor

Date

Signature of Joint Debtor

Date

Thomas Candelaria

6/24/2021

Signature of Authorized Individual*

Date

Thomas Candelaria

CEO

Printed Name of Authorized Individual

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

In re SITO Mobile Ltd, Solutions, R&D IP
 Debtor

Case No(s). 20-21435, 20-21436, 20-21437
 Reporting Period: 05/01/2021 - 05/31/2021

SCHEDEULE OF CASH RECEIPTS AND DISBURSEMENTS
SITO MOBILE SOLUTIONS, Case #20-21436

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal

OPER.	BANK ACCOUNTS			CURRENT MONTH		CUMULATIVE FILING TO DATE	
	Payroll	TAX	DIP Account	ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	0.00	0.00	75,410.15	75,410.15		75,410.15	
RECEIPTS							
CASH SALES				0.00			
ACCOUNTS RECEIVABLE	0.00		76,668.96	76,668.96		331,508.22	
LOANS AND ADVANCES				0.00			
SALE OF ASSETS				0.00			
OTHER (ATTACH LIST)	0.00			0.00		822,099.09	
TRANSFERS (FROM DIP ACCTS)	0.00			0.00		504,271.50	
TOTAL RECEIPTS	0.00	0.00	76,668.96	76,668.96		1,657,878.81	
DISBURSEMENTS							
NET PAYROLL			38,942.72	38,942.72		328,551.70	
PAYROLL TAXES			14,182.79	14,182.79		115,409.46	
SALES, USE, & OTHER TAXES				0.00			
INVENTORY PURCHASES				0.00			
SECURED/ RENTAL/ LEASES				0.00			
INSURANCE			452.56	452.56		353,718.97	
ADMINISTRATIVE			537.10	537.10		3,825.77	
SELLING				0.00			
OTHER (ATTACH LIST)			19,179.64	19,179.64		173,708.84	
OWNER DRAW *				0.00			
TRANSFERS (TO DIP ACCTS)				0.00		504,271.50	
PROFESSIONAL FEES			0.00	0.00		100,000.00	
U.S. TRUSTEE QUARTERLY FEES			5,526.60	5,526.60		11,051.60	
COURT COSTS				0.00			
TOTAL DISBURSEMENTS	0.00	0.00	0.00	78,821.41		1,590,537.84	
NET CASH FLOW	0.00	0.00	0.00	-2,152.45	-2,152.45	67,340.97	
(RECEIPTS LESS DISBURSEMENTS)							
CASH - END OF MONTH	0.00	0.00	0.00	73,257.70	73,257.70	73,257.70	

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)		
TOTAL DISBURSEMENTS		78,821.41
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS		0.00
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)		
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES		78,821.41

In re SITO Mobile Ltd, Solutions, R&D IP
Debtor

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 05/01/2021 - 05/31/2021

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Continuation Sheet for MOR-1 (Solutions)

This section contains the details for "other" under the Receipts section

Microsoft 365	\$175.00
LimeGoat	\$299.00
EdgarAgents	\$189.00
SemCasting	\$12,500.00
Lisa Patrick Expense Reimbursement	\$4,996.50
ADP Payroll Fees	\$1,020.14
Total:	\$19,179.64

In re SITO Mobile Ltd, Solutions, R&D IP
 Debtor

Case No(s). 20-21435, 20-21436, 20-21437
 Reporting Period: 05/01/2021 - 05/31/2021

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
SITO MOBILE R&D, Case #20-21437

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	R&D	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	0.00				0.00			
RECEIPTS								
CASH SALES								
ACCOUNTS RECEIVABLE								
LOANS AND ADVANCES								
SALE OF ASSETS								
OTHER (ATTACH LIST)	207,744.41						207,744.41	
TRANSFERS (FROM DIP ACCTS)								
TOTAL RECEIPTS	207,744.41				0.00		207,744.41	
DISBURSEMENTS								
NET PAYROLL								
PAYROLL TAXES								
SALES, USE, & OTHER TAXES								
INVENTORY PURCHASES								
SECURED/ RENTAL/ LEASES								
INSURANCE								
ADMINISTRATIVE								
SELLING								
OTHER (ATTACH LIST)								
OWNER DRAW *								
TRANSFERS (TO DIP ACCTS)								
PROFESSIONAL FEES								
U.S. TRUSTEE QUARTERLY FEES								
COURT COSTS								
TOTAL DISBURSEMENTS	0.00				0.00		0.00	
NET CASH FLOW	207,744.41				207,744.41		207,744.41	
(RECEIPTS LESS DISBURSEMENTS)								
CASH - END OF MONTH	207,744.41				207,744.41		207,744.41	

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)	
TOTAL DISBURSEMENTS	0.00
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	0.00

In re SITO Mobile Ltd, Solutions, R&D IP
Debtor

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 05/01/2021 - 05/31/2021

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Continuation Sheet for MOR-1 (R&D)

This section contains the details for "other" under the Receipts section

FloSports Settlement	\$207,744.41
Total:	\$207,744.41

This section contains the details for "other" under the Disbursements section

In re SITO Mobile Ltd, Solutions, R&D IP

Debtor

Case No(s). 20-21435, 20-21436, 20-21437

Reporting Period: 05/01/2021 - 05/31/2021

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

SITO MOBILE Ltd, Case #20-21435

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT')]

	BANK ACCOUNTS			CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER.	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL
CASH BEGINNING OF MONTH	0.00				0.00		
RECEIPTS							
CASH SALES							
ACCOUNTS RECEIVABLE							
LOANS AND ADVANCES							
SALE OF ASSETS							
OTHER (ATTACH LIST)							
TRANSFERS (FROM DIP ACCTS)							
TOTAL RECEIPTS	0.00				0.00		
DISBURSEMENTS							
NET PAYROLL							
PAYROLL TAXES							
SALES, USE, & OTHER TAXES							
INVENTORY PURCHASES							
SECURED/RENTAL/LEASES							
INSURANCE							
ADMINISTRATIVE							
SELLING							
OTHER (ATTACH LIST)							
OWNER DRAW *							
TRANSFERS (TO DIP ACCTS)							
PROFESSIONAL FEES							
U.S. TRUSTEE QUARTERLY FEES							
COURT COSTS							
TOTAL DISBURSEMENTS	0.00				0.00		0.00
NET CASH FLOW	0.00				0.00		
(RECEIPTS LESS DISBURSEMENTS)							
CASH - END OF MONTH	0.00				0.00		

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)	
TOTAL DISBURSEMENTS	0.00
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	0.00

In re SITO Mobile Ltd, Solutions, R&D IP
Debtor

Case No(s). 20-21435, 20-21436, 20-21437
Reporting Period: 05/01/2021 - 05/31/2021

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID

This schedule is to include all retained professional payments from case inception to current month.

In re SITO Mobile Ltd, Solutions, R&D IP
 Debtor

Case No(s). 20-21435, 20-21436, 20-21437
 Reporting Period: 05/01/2021 - 05/31/2021

STATUS OF POSTPETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.
 Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.
 Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
Federal						
Withholding		\$4,139.28	\$4,139.28	2190.82 (Paid 5/4/2021) 1948.46(Paid 5/19/2021)	EFT	0
FICA-Employee		\$3,665.25	\$3,665.25	1888.39 (Paid 5/4/2021) 1776.86 (Paid 5/19/2021)	EFT	0
FICA-Employer		\$3,665.26	\$3,665.26	1888.41(Paid 5/4/2021) 1776.85 (Paid 5/19/2021)	EFT	0
Unemployment		\$0.00	\$0.00			0
Income						
Other:						
Total Federal Taxes		\$11,469.79	\$11,469.79			0
State and Local						
Withholding		\$2,057.60	\$2,057.60	1082.44 (Paid 5/4/2021) 975.16 (Paid 5/19/2021)	EFT	0
Sales						
Excise						
Unemployment		\$178.75	\$178.75	89.38 (Paid 5/4/2021) 89.37 (Paid 5/19/2021)	EFT	0
Real Property						
Personal Property						
Other: Disability		\$476.65	\$476.65	247.07 (Paid 5/4/2021) 229.58(Paid 5/19/2021)	EFT	0
Total State and Local		\$2,713.00	\$2,713.00			0
Total Taxes		\$14,182.79	\$14,182.79			0

SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable.

	Number of Days Past Due					
	Current	0-30	31-60	61-90	Over 90	Total
Accounts Payable	4240.99	8573.22	368.34		1298.21	23365.39
Wages Payable						
Taxes Payable						
Rent/Leases-Building						
Rent/Leases-Equipment						
Secured Debt/Adequate Protection Payments						
Professional Fees						
Amounts Due to Insiders*						
Other:						
Other:						
Total Postpetition Debts	4240.99	8573.22	368.34		1298.21	23365.39
						37846.15

Explain how and when the Debtor intends to pay any past-due postpetition debts.

Through our DIP financing and accounts receivable.

**"Insider" is defined in 11 U.S.C. Section 101(31).

In re SITO Mobile Ltd, Solutions, R&D IP
 Debtor

Case No(s). 20-21435, 20-21436, 20-21437
 Reporting Period: 05/01/2021 - 05/31/2021

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	412,301.71
+ Amounts billed during the period	8,011.25
- Amounts collected during the period	76,668.96
Total Accounts Receivable at the end of the reporting period	343,644.00
Accounts Receivable Aging	Amount
0 - 30 days old	12,058.29
31 - 60 days old	1,799.26
61 - 90 days old	2,106.84
91+ days old	193,779.61
Total Accounts Receivable	209,744.00
Amount considered uncollectible (Bad Debt)	60,728.04
Accounts Receivable (Net)	149,015.96

DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		No
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		No
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	Yes	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	Yes	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.	Yes MICR Spec Sheet included	

WellsOne® Account

Document Page 12 of 21

Account number: **XXXXXX6162** ■ May 1, 2021 - May 31, 2021 ■ Page 1 of 2

SITO MOBILE SOLUTIONS INC
DEBTOR IN POSSESSION
CH11 CASE #20-21436 (NJ)
123 TOWN SQUARE PL #419
JERSEY CITY NJ 07310-1756

Questions?

Call your Customer Service Officer or Client Services
1-800-AT WELLS (1-800-289-3557)
5:00 AM TO 6:00 PM Pacific Time Monday - Friday

Online: wellsfargo.com

Write: Wells Fargo Bank, N.A. (182)
PO Box 63020
San Francisco, CA 94163

Account summary**WellsOne® Account**

Account number	Beginning balance	Total credits	Total debits	Ending balance
XXXXXX6162	\$75,410.15	\$76,668.96	-\$78,821.41	\$73,257.70

Credits**Electronic deposits/bank credits**

Effective date	Posted date	Amount	Transaction detail
05/07		10,000.00	WT Fed#00553 Pinnacle Bank /Org=Ribbon Media Group LLC Srf# 20210507001325 Trn#210507117961 Rfb#
05/07		1,668.96	Site on Time,LLC AP Sot May 07 34798 Sito Mobile Solutions,
05/20		65,000.00	Req West Coast Settlement Sito Mobile W-Sito Mobile
\$76,668.96			Total electronic deposits/bank credits
\$76,668.96			Total credits

Debits**Electronic debits/bank debits**

Effective date	Posted date	Amount	Transaction detail
05/04		18,419.53	WT Fed#04170 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0504544801004043 Trn#210504046413 Rfb# 5050173464
05/04		7,386.51	WT Fed#03802 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0504543550003435 Trn#210504042131 Rfb# 9714619Vv
05/04		75.00	< Business to Business ACH Debit - ADP Wage Pay Wage Pay 210504 160060502928L57 Sito Mobile Solutions
05/05		827.08	WT Fed#04095 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0505597347003609 Trn#210505041192 Rfb# 9714620Vv
05/05		677.08	WT Fed#04173 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0505597232003455 Trn#210505041114 Rfb# 9220723Vv
05/05		677.08	WT Fed#04094 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0505597345003613 Trn#210505041210 Rfb# 8760529Vv


Electronic debits/bank debits (continued)

Effective date	Posted date	Amount	Transaction detail
05/06		452.56	< Business to Business ACH Debit - The Guardian May Gp Ins May 01 52161800Be20000 Sito
05/07		299.00	WT Fed#02805 Jpmorgan Chase Ban /Ftr/Bnf=Limegoat Srf# Inv 0002164433 Trn#210507140066 Rfb# 2183
05/10		4,996.50	WT 210510-009912 Bank of America, NE /Bnf=Lisa Patrick Pallack Srf# March, April & M Trn#210510009912 Rfb# 2185
05/10		189.00	WT 210510-009818 Bank of America, NE /Bnf=Edgar Agents, LLC. Srf# Invoice 51842 Trn#210510009818 Rfb# 2184
05/11		537.10	Client Analysis Srvc Chrg 210510 Svc Chge 0421 000004833796162
05/14		942.49	< Business to Business ACH Debit - ADP Payroll Fees ADP - Fees 210514 8I030Fix7553638 Sito Mobile Solutions
05/14		77.65	< Business to Business ACH Debit - ADP Payroll Fees ADP - Fees 210514 10Fix 6972816 Sito Mobile Solutions
05/17		175.00	Microsoft 6041 EDI Paymnt May 14 Z419Lvjquzic TRN*1*Z419Lvjquzic\
05/18		17,439.87	WT Fed#06100 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0518136788015035 Trn#210518168259 Rfb# 6750146695
05/19		6,796.28	WT Fed#03720 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0519161980003719 Trn#210519039603 Rfb# 0190712Vv
05/20		827.08	WT Fed#05592 Deutsche Bank Trus /Drw/Bnf=ADP Client Trust Srf# 0520232004008774 Trn#210520054256 Rfb# 0190713Vv
05/24		5,526.60	< Business to Business ACH Debit - Quarterly Fee Payment 210521 0000 Sito Mobile Solutions,
05/26		12,500.00	WT Fed#01380 Jpmorgan Chase Ban /Ftr/Bnf=Semcasting, Inc Srf# Invoice Cinv0064 Trn#210525208549 Rfb# 2186
\$78,821.41		Total electronic debits/bank debits	
\$78,821.41		Total debits	

< **Business to Business ACH:** If this is a business account, this transaction has a return time frame of one business day from post date. This time frame does not apply to consumer accounts.

Daily ledger balance summary

Date	Balance	Date	Balance	Date	Balance
04/30	75,410.15	05/10	53,079.77	05/19	27,111.38
05/04	49,529.11	05/11	52,542.67	05/20	91,284.30
05/05	47,347.87	05/14	51,522.53	05/24	85,757.70
05/06	46,895.31	05/17	51,347.53	05/26	73,257.70
05/07	58,265.27	05/18	33,907.66		

Average daily ledger balance **\$64,472.23**

Commercial Business CheckingAccount number **XXXXXX6483** ■ May 5, 2021 - May 31, 2021 ■ Page 1 of 1**Questions?**

Call your Customer Service Officer or Client Services

1-800-AT WELLS (1-800-289-3557)

5:00 AM TO 6:00 PM Pacific Time Monday - Friday

Online: wellsfargo.com*Write:* Wells Fargo Bank, N.A. (347)

P.O. Box 6995

Portland, OR 97228-6995

SITO MOBILE R&D IP, LLC
 123 TOWN SQUARE PL #419
 JERSEY CITY NJ 07310-2778

Account summary**Commercial Business Checking**

Account number	Beginning balance	Total credits	Total debits	Ending balance
XXXXXX6483	\$0.00	\$207,744.41	\$0.00	\$207,744.41

Credits**Electronic deposits/bank credits**

Effective date	Posted date	Amount	Transaction detail
05/28		207,744.41	WT Fed#03188 Td Bank, NA /Org=Daignault Iyer LLP Srf# 210528112840Xi01 Trn#210528127311 Rfb# Dams-C3Fj22
\$207,744.41			Total electronic deposits/bank credits
\$207,744.41			Total credits

Daily ledger balance summary

Date	Balance	Date	Balance
05/05	0.00	05/28	207,744.41
Average daily ledger balance			\$30,776.94

May 31, 21

ASSETS

Current Assets

Checking/Savings

1021 · Wells Fargo R&D IP Checking	207,744.41
1011 · Wells Business Checking DIP BK	73,257.70

Total Checking/Savings

281,002.11

Accounts Receivable

1200 · Accounts Receivable	209,744.00
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Total Accounts Receivable

209,744.00

Other Current Assets

1207 · Accounts Receivable Other	
1398 · Allowance for Bad Debts	-60,728.04

Total 1207 · Accounts Receivable Other	-60,728.04
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Total Other Current Assets

-60,728.04

Total Current Assets

430,018.07

Fixed Assets

1418 · Property and Equipment, Net

1419 · Property and Equipment

1420 · Leasehold Improvements	290,873.62
1430 · Office Furniture & Equipment	212,377.07
1440 · Machinery & Equipment	3,190.94
1510 · Computer Equipment/Software	209,972.16
1515 · IVR-Computer Equipment/Software	5,683.63
1522 · Boise Data Center	7,859.19

Total 1419 · Property and Equipment	729,956.61
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1570 · Accumulated Depreciation

1573 · Accum. Dep.-Furn. & Fixtures	-212,377.07
1576 · Accum. Dep.-Mach. & Equip.	-3,190.94
1579 · Accum. Dep.-Soft. & Computers	-209,972.16
1582 · Accum. Dep.-IVR Comp. Equip.	-5,683.63
1585 · Accum. Deprec.-Boise Data Ctr.	-7,859.19
1587 · Accum. Dep.-Leasehold Impro.	-290,873.62

Total 1570 · Accumulated Depreciation	-729,956.61
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Total 1418 · Property and Equipment, Net

0.00

Total Fixed Assets

0.00

Other Assets

1671 · Capitalized Development Costs

1675 · Software Development Costs	4,599,888.31
1676 · Accum. Amort. Soft. Dev. Costs	-4,599,888.31

Total 1671 · Capitalized Development Costs

0.00

1790 · Patents Application Cost

1792 · Accum. Amort. - Patent Costs	-2,432,013.41
1790 · Patents Application Cost - Other	2,751,605.97

Total 1790 · Patents Application Cost

319,592.56

1950 · Deposits and other assets

As of May 31, 2021

	May 31, 21
1600 · Security Deposit - Rents	5,098.00
Total 1950 · Deposits and other assets	5,098.00
1980 · Technology	
1980.01 · Technology - Total Costs	970,000.00
1980.02 · Technology - Amortization	-970,000.00
Total 1980 · Technology	0.00
1985 · Customer Relationships	
1985.01 · Customer Relationships - Total	870,000.00
1985.02 · Customer Relationships - Amor.	-870,000.00
Total 1985 · Customer Relationships	0.00
1990 · Backlog	
1990.01 · Backlog - Total Cost	110,000.00
1990.02 · Backlog - Amortization	-110,000.00
Total 1990 · Backlog	0.00
Total Other Assets	324,690.56
TOTAL ASSETS	754,708.63

LIABILITIES & EQUITY**Liabilities****Current Liabilities****Accounts Payable**

2000 · Accounts Payable	13,015,381.71
Total Accounts Payable	13,015,381.71

Other Current Liabilities

2004 · Loan from Government PPP	1,292,100.00
Total 2008 · Note Payable	

2008 · Note Payable	
2008-00 · Hiroaki Aoyama.	521,207.00
2008-16 · Gavin A. Scotti Jr.	307,431.00
2008-15 · Stephen D Baksa	308,648.00
2008-14 · Hiroaki Aoyama	103,157.00
2008-13 · MediaJel	276,721.00
2008-12 · Gavin Scotti, Sr.	100,394.00
2008-11 · Ted Cooper Gardening Service	134,903.00
2008-09 · Stephen D. Baksa	689,012.00
2008-08 · Blackwell Aviation Inc.	136,667.00
2008-07 · Superius Securities Group, Inc.	341,663.00
2008-02 · Medford Bragg	243,343.00
2008-03 · Invenire Partners LP	690,625.00
2008-04 · Edward M Giles	138,859.00
2008-05 · Christopher Scotti	450,772.00
2008-06 · Gavin A Scotti Jr	1,231,485.00
Total 2008 · Note Payable	5,674,887.00
2009 · Accrued Expenses	

2010 · Accrued Expense	612,000.00
2021 · Accrued Interest - N/P	15,462.43
2022 · Accrued Bonus Compensation	65,000.00

Balance Sheet
As of May 31, 2021May 31, 21

2100 · Accrued Payroll	
2102 · Accrued Payroll Taxes	27,415.09
2104 · Accrued Payroll - Officer	470,000.07
Total 2100 · Accrued Payroll	497,415.16
Total 2009 · Accrued Expenses	1,189,877.59
Total Other Current Liabilities	8,156,864.59
Total Current Liabilities	21,172,246.30
Total Liabilities	21,172,246.30
Equity	
3001 · Common Stock	25,642.10
3004 · Add.Paid-In Capital - Warrants	-1,061,578.00
3005 · Additional Paid-In Capital	189,721,941.46
3100 · Retained Earnings	-209,124,350.71
Net Income	20,807.48
Total Equity	-20,417,537.67
TOTAL LIABILITIES & EQUITY	754,708.63

Profit & Loss
May 2021May 21

Ordinary Income/Expense

Income

5000 · Revenue

5009 · Licensing and royalties

5010 · Licensing and royalties 207,744.41Total 5009 · Licensing and royalties 207,744.41

5100 · Media Placement Programs

Total 5000 · Revenue 8,011.25Total 5000 · Revenue 215,755.66

Total Income

Gross Profit

215,755.66

Expense

6000 · Operating Expenses

6149 · Royalties & Applications Costs

6150 · Program Expenses

6192 · Sito Program Expenses 4,160.58Total 6150 · Program Expenses 4,160.58Total 6149 · Royalties & Applications Costs 4,160.58

6404 · Depreciation and amortization

8309 · Amort. - Patent Expense 5,593.61Total 6404 · Depreciation and amortization 5,593.61

6405 · Payroll Expenses

6406 · Payroll

6410 · Payroll - Officer 8,333.346411 · Payroll - Employees 53,094.96Total 6406 · Payroll 61,428.30

6420 · Payroll Taxes

6421 · Social Security Tax (ER) 2,970.546422 · Medicare Tax (ER) 694.716435 · NJ Unemployment Tax (ER) 157.50Total 6420 · Payroll Taxes 3,822.75

6430 · Employee Benefits

6431 · 125 Health Insur. (ER-EE) 3,289.736432 · 125 Dental Insur. (ER-EE) -78.206430 · Employee Benefits - Other -1,654.16Total 6430 · Employee Benefits 1,557.376405 · Payroll Expenses - Other 1,020.14Total 6405 · Payroll Expenses 67,828.56

7019 · General and administrative

7020 · Telecom

7021 · Wireless 300.00Total 7020 · Telecom 300.00

7050 · Professional Services

7052 · Accounting 75.007100 · Market./Consult./Presentations 3,559.50Total 7050 · Professional Services 3,634.50

Profit & Loss
May 2021May 21

7059 · Administrative Expenses	
7085 · Permits & License Fees	115.00
7092 · Dues and Subscriptions	6,062.52
7095 · Bank, Finance & Late Fees	537.10
7780 · Software	948.00
8350 · Bad Debts Expense	53,400.25
Total 7059 · Administrative Expenses	61,062.87
Total 7019 · General and administrative	64,997.37
Total 6000 · Operating Expenses	142,580.12
Total Expense	142,580.12
Net Ordinary Income	73,175.54
Other Income/Expense	
Other Income	
8000 · Other Income	981,430.36
Total Other Income	981,430.36
Other Expense	
8050 · Interest Exp. - Misc.	4,078.00
Total Other Expense	4,078.00
Net Other Income	977,352.36
Net Income	1,050,527.90

October 8, 2020 through May 31, 2021

Oct 8, '20 - May 31, 21**Ordinary Income/Expense****Income****5000 · Revenue****5009 · Licensing and royalties**

5010 · Licensing and royalties 207,744.41

Total 5009 · Licensing and royalties 207,744.41

5100 · Media Placement Programs

Total 5000 · Revenue 181,345.41

Total 5000 · Revenue 389,089.82

Total Income**Gross Profit****Expense****6000 · Operating Expenses****6149 · Royalties & Applications Costs****6150 · Program Expenses**

6192 · Sito Program Expenses 140,181.79

Total 6150 · Program Expenses 140,181.79

Total 6149 · Royalties & Applications Costs 140,181.79

6404 · Depreciation and amortization

8309 · Amort. - Patent Expense 82,376.08

8310 · Amort. - Technology 40,416.65

Total 6404 · Depreciation and amortization 122,792.73

6405 · Payroll Expenses**6406 · Payroll**

6410 · Payroll - Officer 453,333.39

6411 · Payroll - Employees 430,232.50

Total 6406 · Payroll 883,565.89

6420 · Payroll Taxes

6421 · Social Security Tax (ER) 24,115.93

6422 · Medicare Tax (ER) 5,903.84

6424 · CA Unemployment Tax (ER) 1,736.00

6435 · NJ Unemployment Tax (ER) 787.50

6437 · NY Unemployment Tax (ER) 399.00

6447 · TX Unemployment Tax (ER) 67.50

Total 6420 · Payroll Taxes 33,009.77

6430 · Employee Benefits

6431 · 125 Health Insur. (ER-EE) 18,348.15

6432 · 125 Dental Insur. (ER-EE) 3,321.01

6430 · Employee Benefits - Other -5,862.17

Total 6430 · Employee Benefits 15,806.99

6405 · Payroll Expenses - Other

Total 6405 · Payroll Expenses 23,736.33

Total 6405 · Payroll Expenses 956,118.98

7019 · General and administrative**7020 · Telecom**

7021 · Wireless 870.00

7023 · Local/Long Dist/Conferencing 175.89

October 8, 2020 through May 31, 2021

Oct 8, '20 - May 31, 21

Total 7020 · Telecom	1,045.89
7040 · Insurance	
7042 · Insurance - Worker's Comp.	2,857.63
7045 · Insurance - D & O	225,722.24
Total 7040 · Insurance	228,579.87
7050 · Professional Services	
7051 · Legal	
7051.04 · Legal -Bankruptcy	100,000.00
7051.01 · Legal - General	3,588.18
7051 · Legal - Other	-100,000.00
Total 7051 · Legal	3,588.18
7052 · Accounting	6,011.89
7056 · STS Stock Agent	912.35
7057 · SEC Edgarizing/Fiiling Fees	14,596.53
7100 · Market./Consult./Presentations	10,575.00
Total 7050 · Professional Services	35,683.95
7059 · Admininistrative Expenses	
7010 · Office Rent	200.00
7070 · Postage and Delivery	9.50
7080 · Office Supplies/Expense	1,100.00
7085 · Permits & License Fees	115.00
7092 · Dues and Subscriptions	60,566.02
7095 · Bank, Finance & Late Fees	3,910.97
7780 · Software	3,436.36
8350 · Bad Debts Expense	194,973.76
Total 7059 · Admininistrative Expenses	264,311.61
Total 7019 · General and administrative	529,621.32
Total 6000 · Operating Expenses	1,748,714.82
Total Expense	1,748,714.82
Net Ordinary Income	-1,359,625.00
Other Income/Expense	
Other Income	
8000 · Other Income	1,003,544.45
Total Other Income	1,003,544.45
Other Expense	
8050 · Interest Exp. - Misc.	29,626.00
9000 · Misc. Expense	2,981.03
9001 · State Corporate Taxes	800.00
9003 · Other Taxes	454.08
9018 · Impaired Asset Write-Off	422,304.56
Total Other Expense	456,165.67
Net Other Income	547,378.78
Net Income	-812,246.22